

§ 116-203. Authority created as subdivision of State; appointment, terms and removal of board of directors; officers; quorum; expenses and compensation of directors.

(a) Authority Created. – There is created and constituted a political subdivision of the State to be known as the "State Education Assistance Authority." The exercise by the Authority of the powers conferred by this Article shall be deemed and held to be the performance of an essential governmental function.

(b) Membership. – The Authority shall be governed by a board of directors consisting of nine members, seven of whom shall be appointed by the Governor and two of whom shall be ex officio. The members shall be as follows:

- (1) Seven members appointed by the Governor, three of whom shall have expertise in secondary or higher education, two of whom shall have expertise in finance, one of whom shall be a member of the public at large with an interest in higher education, and one of whom shall be a chief financial officer from a college or university that is a member of North Carolina Independent Colleges and Universities, Inc., appointed upon the recommendation of North Carolina Independent Colleges and Universities, Inc.
- (2) The chief financial officer of The University of North Carolina shall serve as an ex officio member.
- (3) The chief financial officer of the North Carolina Community College System shall serve as an ex officio member.

(c) Terms. – Members appointed by the Governor shall serve for a term of four years and until their successors are appointed and duly qualified. Immediately after appointment, the directors shall enter upon the performance of their duties.

(d) Vacancies. – A vacancy in an appointment made by the Governor shall be filled by the Governor in the same manner as the original appointment for the remainder of the unexpired term.

(e) Removal. – The Governor may remove any member of the board of directors appointed by the Governor for misfeasance, malfeasance, or nonfeasance.

(f) Officers. – The board shall annually elect one of its members as chair and another as vice-chair and shall also elect annually a secretary, or a secretary-treasurer, who may or may not be a member of the board. The chair, or in the chair's absence, the vice-chair, shall preside at all meetings of the board. In the absence of both the chair and vice-chair, the board shall appoint a chair pro tempore, who shall preside at such meetings.

(g) Quorum. – Five directors shall constitute a quorum for the transaction of the business of the Authority, and no vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. The favorable vote of at least a majority of the members of the board present at any meeting is required for the adoption of any resolution or motion or for other official action.

(h) Expenses. – The members of the board shall receive per diem and allowances as provided in G.S. 138-5 and G.S. 138-6. These expenses and compensation shall be paid from funds provided under this Article, or as otherwise provided. (1965, c. 1180, s. 1; 1979, c. 165, s. 3; 2010-109, s. 1.)